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2023 POLI

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THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (IBEW)

Government Affairs Department

Policy Brief

The IBEW Government Affairs department at the International Office is committed to advancing the IBEW mission and improving the lives of all members. The department oversees the most prominent political, legislative, and grassroots program of its time by providing the membership with IBEW-specific legislative and political information and issue activation through the nationwide member network. To find out more, visit our website at







About the IBEW

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About the IBEW:

The IBEW is a union of 775,000 active and retired members, the largest organization of electrical workers in North America. Members of the IBEW work in nearly every part of the economy: construction, utilities, telecommunications, broadcasting, manufacturing, railroad, and government.

Formed in 1891, the IBEW has earned its reputation as the world's oldest, largest, and most professional electrical union.

A Message from International President Cooper

The purpose of this briefing book is to provide an overview of the current state of the IBEW Government Affairs policy development and legislative priorities. The book is organized into sections that cover background information, current legislation, the IBEW's position and the action items left for the Government Affairs department on potential policy solutions.

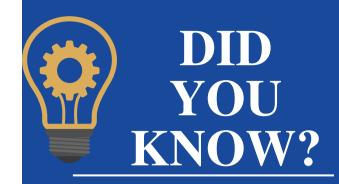
It is intended for IBEW members to use when advocating in Washington – or at home – before elected representatives, as they draft or weigh in on legislation because it benefits members and policymakers to understand the implications of their work.

Each chapter is devoted to an issue, including an overview, staff contacts to follow up for more information and resources for further reading, with URLs and QR codes for easy reference. Government Affairs staff constantly updates positions and action items based on internal deliberations, current events and other factors, including new laws and regulations.

As a whole, they reflect the underlying values of the IBEW, which at its core is protecting the labor standards and rights of working people (laid out in more detail in Chapter 4).

Just so you know, this is not a political product; it highlights issues only as they affect IBEW members. the Government Affairs policy work is confined to representing members on policy alone. The IBEW works with any elected leader in favor of voting in the interests of IBEW members, current and future.





U.S. Senate and House Rules Differ Substantially



HOUSE OF REPRESENTATIVES

Powerful House Rules Committee; more difficult to circumvent committee consideration of legislation

Individual representatives have little power; no practice of "holds"

Non-controversial measures often approved through suspension of rules

Number and kinds of amendments limited; non-germane (off-topic) amendments are not allowed unless permitted by a special rule

Motion for the previous question, which requires only a simple majority vote, ends debate and brings a floor vote on a measure

The presiding officer has a great deal of discretion for recognizing representatives; the presiding officer's rulings are not often challenged

SENATE

No powerful committee determines rules for the body; easier to circumvent committee consideration of legislation

Individual senators have a great deal of power and can place "holds" on certain measures

Non-controversial measures often approved through unanimous consent agreements

Non-germane (i.e., off-topic) amendments are allowed unless cloture is invoked or disallowed by a unanimous consent agreement

Cloture motion to end debate requires three-fifths of senators' support; senators can filibuster most legislation, in effect necessitating a 60-vote threshold

The presiding officer has little discretion in recognizing individual senators; the presiding officer's rulings are often challenged



GOVERNMENT AFFAIRS



"The IBEW is a leading voice for working families because the IBEW's focus has consistently been on improving members' lives and powering an economy that works for everyone. And these priorities are amplified by 775,000 members — working in various sectors — utility, construction. telecommunications, broadcasting, manufacturing, railroad, and government."

— International President Kenneth W. Cooper



IBEW POLICY BRIEF

Chapter 1: Significant Legislative Activity Under the Biden Administration

The American Rescue Plan Act (ARPA) of 2021

ARPA was signed into law by President Biden on March 11, 2021. It provided crisis support for unemployed workers and extended several federally funded jobless benefit programs, such as Pandemic Unemployment Assistance and the Pandemic Emergency Unemployment Compensation program. These programs offered additional weeks of unemployment aid for those who no longer qualify for state benefits. It also provided the third round of stimulus checks worth \$1,400.

The American Rescue Plan included the Butch Lewis Emergency Pension Plan Relief Act (the "Butch Lewis Act"). The Butch Lewis act was a major legislative priority for the IBEW that shores up troubled multiemployer pension plans and the Pension Benefit Guaranty Corporation at no cost to participants.

During the pandemic, the passenger transportation system in America was hit hard by a steep ridership decline. The IBEW represents thousands of permanent employees and construction and maintenance workers in this sector. These workers depend on the work hours generated by capital improvements.

The American Rescue Plan (ARPA) provided \$30.5 billion for Federal Transit Administration grants and \$1.7 billion for grants to Amtrak. ARPA funding also included a set aside to resume service on long-distance routes and recall furloughed employees.

The Infrastructure Investment and Jobs Act of 2021 (The Bipartisan Infrastructure Law)

The IBEW supported the historic \$1.2 trillion Infrastructure Investment and Jobs Act (also known as the Bipartisan Infrastructure Law or "BIL"). President Biden signed the BIL into law on November 15, 2021. It is the most significant investment in American infrastructure since World War II. President Joe Biden invited International President Lonnie R. Stephenson and IBEW members from across the United States to the White House signing ceremony for President Biden's landmark legislative achievement.

Members of the IBEW and the Government Affairs Department urged members of Congress for years to pass an infrastructure package. Finally, with its passage, the law provides substantial funding to modernize nearly every aspect of our nation's infrastructure.

This Bipartisan Infrastructure Law (BIL) will rebuild America's roads, bridges and rail lines. The BIL will also expand access to clean drinking water and high-speed internet. It tackles the climate crisis, advances environmental justice, and invests in communities left behind. The legislation will help ease inflationary pressures and strengthen supply chains by making long overdue improvements for our nation's ports, airports, rail, and roads. The investments provided in the BIL will create good-paying union jobs and grow the economy sustainably and equitably. Combined with President Biden's other legislative achievements, analysts expects that the BIL will add, on average, 1.5 million jobs per year for the next ten years.

About half of the BIL's spending reauthorizes existing programs, while the other half represents spending on new programs. More than half of its investments will improve and modernize transportation infrastructure, with \$284 billion going directly toward infrastructure reserves for highways, roads and bridges, highway safety, ports and waterways, airports, rail, transit, and electric vehicle charging infrastructure. In addition, the law invests \$266 billion in other infrastructure sectors, including water, broadband, energy and power, environmental remediation, and climate resiliency projects.

The CHIPS and Science Act of 2022 "CHIPS"

Congress and President Biden enacted CHIPS on August 9, 2022. "CHIPS" provides \$52 billion to incentivize the production of critical semiconductor chips in the United States. Semiconductors are a crucial component of smartphones, automobiles, advanced medical equipment, and other electronic consumer products. These historic investments will strengthen American manufacturing and supply chains and help to grow the workforce of the future.

CHIPS included Davis-Bacon prevailing wage protections for the construction and modification of semiconductor manufacturing facilities.

Semiconductors are critical to the operation of nearly every electronic device. With a sufficient supply of domestic semiconductors, the U.S. can make its essential decarbonization initiatives possible. This includes policy efforts in electric vehicle expansion and electricity generation modernization. With the signing of CHIPS, the U.S. can reverse the trend of offshoring jobs, bolster domestic supply chains, and strengthen American security and competitiveness. CHIPS will create jobs for the IBEW members who work in the construction and manufacturing sectors.

The Inflation Reduction Act of 2022 - "IRA"

The IRA is a significant policy win for the IBEW with the potential to create work opportunities for tens of thousands of IBEW members and expand IBEW membership in traditional power generation, renewable generation, construction and manufacturing. The IRA is the most aggressive action in tackling the climate crisis in American history. The law's provisions lift American workers and create good-paying union jobs across the country.

The IRA will lower the deficit and ensure that the ultra-wealthy and corporations pay their fair share in taxes. The law guarantees that no one making under \$400,000 yearly will pay a penny more in taxes due to its signing.

The legislation includes critical strong labor protections and domestic content requirements tied to the over \$300 billion in tax credits for renewable and traditional energy infrastructure projects. Such protections will guarantee that these projects will create middle-class, family-sustaining career opportunities for IBEW members and other working people across the country.

It also makes historic investments in domestic energy production and manufacturing, creating opportunities for working people and lifting a financial weight off their shoulders.

The law will ensure access to critical technologies, increase national security, and remove impediments and roadblocks to the domestic production of future technologies. The CHIPS and Science Act will also strengthen U.S. technology and innovation infrastructure by providing resources to the National Science Foundation (NSF), the Department of Energy, and other federal technology and science efforts.

Chapter Resources			
Hyperlink	URL	QR	
American Rescue Plan Act R	lesources:		
FACT SHEET: One Year	https://home.treasury.gov/news/press- releases/jy0645	目録日 淡葉載 回述現	
<u>American Rescue Plan</u> Impact: Awardee Map	https://www.eda.gov/funding/programs/Am erican-rescue-plan	回経回 淡汗球 回然果	
Bipartisan Infrastructure Law Resources:			
Build.gov	https://www.whitehouse.gov/build/? utm_source=build.gov		

Chapter Resources

Open Funding Opportunities	https://www.whitehouse.gov/build/nofos-to- know/
Maps of Funding	https://www.whitehouse.gov/build/maps-of- progress/
Tech. Assist. Guide	https://www.whitehouse.gov/build/technical -assistance-guide/
BIL Guidebook	https://www.whitehouse.gov/wp- content/uploads/2022/05/BUILDING-A- BETTER-AMERICA-V2.pdf
State Fact Sheets	https://www.whitehouse.gov/briefing- room/statements-releases/2021/08/04/white- house-releases-state-fact-sheets- highlighting-the-impact-of-the- infrastructure-investment-and-jobs-act- nationwide/

Inflation Reduction Act Resources:

<u>FACT SHEET: Workers and</u> <u>Families</u>	https://www.whitehouse.gov/briefing- room/statements-releases/2022/08/19/fact- sheet-the-inflation-reduction-act-supports- workers-and-families/
FACT SHEET: Advances Environmental Justice	https://www.whitehouse.gov/briefing- room/statements-releases/2022/08/17/fact- sheet-inflation-reduction-act-advances- environmental-justice/
FACT SHEET: Helps Rural Communities	https://www.whitehouse.gov/briefing- room/statements-releases/2022/08/17/fact- sheet-how-the-inflation-reduction-act-helps- rural-communities/
State Fact Sheets	https://www.whitehouse.gov/briefing- room/statements-releases/2022/08/17/state- fact-sheets-how-the-inflation-reduction-act- lowers-energy-costs-create-jobs-and- tackles-climate-change-across-america/

CHIPS and Science Act Resources:

<u>CHIPS.gov</u>

https://www.nist.gov/chips

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FACT SHEET: Will Lower Costs, Create Jobs https://www.whitehouse.gov/briefingroom/statements-releases/2022/08/09/factsheet-chips-and-science-act-will-lowercosts-create-jobs-strengthen-supply-chainsand-counter-china/



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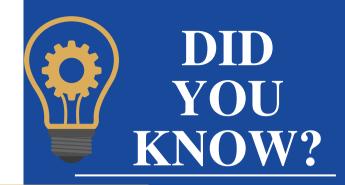
Energy & Environment, Healthcare, Pensions & Telecommunications

Manufacturing, Trade & Immigration

Government Employees, Maritime, Shipbuilding & Transportation

Construction, Labor Standards & Apprenticeships

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How a Bill Becomes a Federal Law



SENATE INTRODUCTION A representative or senator introduces a bill by filing it with the House/Senate clerk Bills are referred to committees for debate, analysis, and amendments COMMITTEE • Bills are often sent to subcommittees for extra analysis, especially on niche issues CONSIDERATION • Simple majorities are needed to pass committees in both the House and Senate House Senate · Bill is debated and amended Bill is debated and amended • FLOOR DEBATE Simple majority needed to pass 3/5 majority needed to end debate • Simple majority needed to pass If both chambers pass an identical bill, it is sent directly to the president FINAL VOTES/ . If they pass different bills, a conference committee is formed of representatives and CONFERENCE senators who try and find a compromise COMMITTEE ٠ Bills that pass conference committee must then pass both the House and Senate A bill becomes law after a president signs it or after 10 days if they take no action ٠ PRESIDENT'S The president can reject a bill with a veto SIGNATURE ٠ OR VETO • Congress can override the veto by with a 2/3 majority vote in each chamber



INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS



Chapter 2: Diversity, Equity, Inclusion and Accessibility

Since day one, the Biden-Harris administration has put diversity, equity and inclusion at the top of its agenda. In his first executive order as President, President Biden declared his administration's commitment to "advancing equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality."¹ In his American Jobs Plan, President Biden outlined the critical need to provide access to quality union jobs.

The American Jobs Plan priorities emphasized opportunities for workers of color and women. It outlines priorities for workers who endure discrimination and systematic economic exclusion — workers who have experienced this reality for generations.

As one of the largest unions in North America, the IBEW has a crucial role in helping the administration meet and exceed these objectives. The IBEW is committed to facilitating the growth of the middle class and fostering a culture that embraces diversity, equity and inclusion as integral parts of ensuring industry viability.

IBEW's Diversity Efforts

In recent years, the IBEW has engaged in several efforts to improve diversity and inclusion in our union.

IBEW Strong

The IBEW believes in addressing all forms of inequity by organizing and supporting workers of all backgrounds. The program focuses on helping those who have historically been under-represented throughout all IBEW sectors. To that end, the IBEW created the IBEW Strong initiative to support diversity, equity and inclusion and create opportunities for people from all backgrounds.

¹ Executive Order No. 13985 of Jan. 20, 2021, Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, 86 FR 7009. CHAPTER 2

IBEW Standing Committee on Diversity and Full Inclusion

The IBEW Standing Committee on Diversity and Full Inclusion grew out of a unanimously passed resolution at the 39th International Convention in 2016. The committee includes IBEW officers, leaders, and members from every branch, district and background, including members from the IBEW women's committee, young workers committee and the Electrical Workers Minority Caucus (EWMC). The officers of the IBEW, the IBEW Diversity and Inclusion Committee and a variety of IBEW leaders worked together to lay the foundation for IBEW Strong.

Together, the Standing Committee identified five themes that form the strategic plan to strengthen and grow the IBEW:

- 1. Organizing/Expanding Membership: Develop and expand outreach, recruitment and marketing programs to young people, nontraditional and historically marginalized communities
- 2. Education and Training: Deliver training and education programs that address the importance and need for inclusion to all IBEW members and leaders
- 3. Building Member Activism and Engagement: Offer inclusive opportunities for members to learn and develop leadership skills and foster local union activism
- 4. Leadership Advancement: Provide opportunities for all local union members to take on leadership roles
- 5. Replicating Best Practices: Document, share and replicate best practices for creating a stronger IBEW through outreach and inclusion programs

IBEW and NECA Joint Statement

(Affirming Commitment to Diversity & Inclusion)

In 2020, the National Electrical Contractors Association (NECA) and IBEW issued a joint statement setting forth the organizations' collective commitment to promoting and embracing diversity and inclusion. The IBEW and NECA maintain a zero-tolerance policy against discrimination deeply woven into the industry-wide Code and Standard of Excellence. Through awareness campaigns, training and education, the IBEW and NECA work together to champion policies, practices and initiatives to foster workplaces free from discrimination and grounded in respect and acceptance.

Pre-Apprenticeships

A pre-apprenticeship is a program or set of services designed to prepare individuals to enter a registered apprenticeship program. Pre-apprenticeships primarily focus on individuals who:

- Have little or no experience in the construction trade
- Experience barriers to employment
- Need to improve their math skills
- Need assistance obtaining supplies or equipment
- Need help meeting the minimum qualifications for a registered apprenticeship

IBEW-affiliated pre-apprenticeship programs primarily focus on providing apprenticeship opportunities to communities that have historically been under-represented in the electrical industry, including women, people of color, and veterans.

Pre-apprenticeship training involves learning basic electrical-industry standards and jobreadiness skills, with employer partners providing workforce knowledge and, in some instances, on-the-job training. Pre-apprenticeship programs streamline the recruitment process and help to improve retention and completion rates among apprentices, thus offering a solid path for underrepresented populations to secure high-quality careers.

Improvements in Diversity and Inclusion at the IBEW

A review of a third-party diversity survey demonstrated that between 2015-2019 IBEW diversity efforts are making a positive impact.² During this time:

- IBEW apprenticeship programs saw a 75 percent increase in enrollment by minority men
- IBEW apprenticeship programs saw a 90 percent increase in enrollment by women

Biden-Harris Administration's Commitments to Diversity

Executive Order

(Tackling the Climate Crisis, Creating Good Union Jobs, Achieving Environmental Justice for Historically Disadvantaged Communities)

Historically, the harm and burden from pollution and climate change disproportionately hit marginalized communities. The government has exacerbated this effect by failing to invest in critical infrastructure. All communities deserve housing, transportation, water and wastewater infrastructure and safe and reliable systems. On January 27, 2021, President Biden issued an executive order to address these injustices while tackling climate change and creating good-paying union jobs.

The order calls for a whole-of-government approach to addressing climate change. The executive order (EO) provides a role for all federal agencies and departments in the transition to cleaner energy. The EO also creates the "Justice40 Initiative." Justice40 directs federal agencies to take steps to ensure that at least 40 percent of the benefits from federal investments in clean energy will benefit disadvantaged communities. The initiative targets populations that have been the most impacted by climate change and pollution.

Justice40 requirements now apply to hundreds of federal government programs and investments in clean energy production and energy efficiency, clean transit, affordable and sustainable housing, training and workforce development, the remediation and reduction of legacy pollution and the development of clean water infrastructure.

The Justice40 Initiative is vital to fulfilling the administration's promise of a clean energy revolution that creates good-paying union jobs.

² A review of these statistics since 2019 is ongoing; data will be provided upon completion.

Through Justice40, President Biden promises to build sustainable infrastructure and achieve environmental justice for the communities and individuals most impacted by climate change.

Good Jobs Initiative

The Good Jobs Initiative is an effort led by the Department of Labor to provide information to workers, employers, and government agencies to improve job quality and access to good jobs. The good jobs initiative's focus also frees workplaces from discrimination and harassment for all working people. In addition, "Good Jobs" emphasizes people of color, LGBTQ+ people, women, immigrants, veterans, individuals with disabilities, and individuals in rural communities.

"Good Jobs" coordinates the pro-worker policies of the Biden-Harris administration under one program. The program's goal, subject to legal authority, is to ensure agencies can implement job quality standards and equitable pathways to family-sustaining union jobs. Specifically, the initiative will focus on empowering workers by:

- Providing easily accessible information to workers about their rights, including the right to bargain collectively and form a union
- Engaging with employer stakeholders as partners to improve job quality and workforce pathways to good jobs; and
- Supporting partnerships across federal agencies and providing technical assistance on grants, contracts, and other investments designed to improve job quality

The DOL MOUs with DOE, DOC, and DOT

- The Departments of Labor and Energy Memorandum of Understanding The DOL and the DOE released their memo on June 21, 2021
- The Departments of Labor and Commerce Memorandum of Understanding The DOL and the DOC released their memo on June 21, 2021
- The Departments of Labor and Transportation Memorandum of Understanding The DOL and the DOT released their memo on March 7, 2022

As the above agencies began implementing the historic investments in the Bipartisan Infrastructure Law, they issued a joint memo on their efforts to reach the "Good Jobs" initiatives goal. These memos were written to promote the departments' cooperative efforts to support pathways to millions of good-paying infrastructure jobs. The agencies also emphasized the need for employment opportunities to provide a free and fair choice to form a union. This effort will emphasize drawing on the strength and creativity of every worker in America and bringing in people who have yet to have the opportunity to attain good-paying infrastructure jobs.

Importantly, this agreement sets forth the shared goal of the DOL with the DOE, DOC, and DOT to increase the numbers of underrepresented workers on federal contracts. The agencies strive to improve project diversity through the use of PLAs and registered apprenticeship programs, with an emphasis on recruiting, training and retaining a more diverse workforce, the agencies pledge to:

- Integrate job quality, labor standards and equal employment opportunity standards across all transportation infrastructure grants
- Assist state and local government partners and private-sector industry who can identify, train, employ, reskill, and retain a diverse infrastructure workforce
- Engage stakeholders and develop strategic partnerships with organizations, including coalitions that represent underrepresented populations
- Support workforce development strategies that are proven to train workers for successful project delivery (project labor agreements, registered apprenticeship programs)

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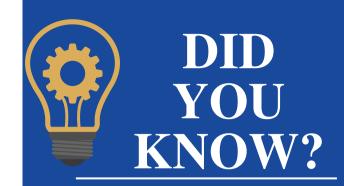
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Energy & Environment, Healthcare, Pensions & Telecommunications

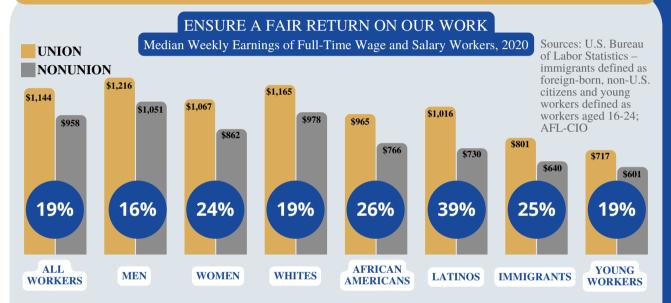
Manufacturing, Trade & Immigration

Government Employees, Maritime, Shipbuilding & Transportation

Construction, Labor Standards & Apprenticeships



The Union Difference: Building a Stronger IBEW



"There is a place in the IBEW for working people of every race and gender, every religion and sexual orientation, every background." – IBEW President Kenneth W. Cooper

IBEW'S DIVERSITY EFFORTS ARE SUCCEEDING

- **75 percent increase in minority men** enrolled in apprenticeship programs 2015-2019
- 1 in 3 active male apprentices identify as minority
- From 2015 to 2019, a **90 percent** increase in the number of women apprentices
- 83 percent of the apprentices in IBEW's largest western program are people of color and/or women

Solid 5-year progress in membership inclusion reflected in 2022 survey:

- **Doubled** the number of Black and Hispanic members
- A quarter of all Black members are female

GOVERNMENT AFFAIRS



Chapter 3: Multiemployer Pension Reform

Multiemployer-defined benefit pension plans form the backbone of the retirement safety net for over 10 million working Americans.

More than 550,000 active members, retirees, and survivors participate in the IBEW's multiemployer pension plans, including the National Electrical Benefit Fund (NEBF), the second largest multiemployer pension fund in the United States.

The COVID-19 pandemic worsened the multiemployer pension crisis and threatened to bankrupt the Pension Benefit Guaranty Corporation (PBGC), decimate thousands of businesses, and devastate communities across the country. Even before the pandemic, the PBGC's multiemployer program faced insolvency by 2026.

After many years of advocacy efforts by the IBEW and other labor unions to fix the pending pension crisis, Congress finally took necessary action by passing the Butch Lewis Emergency Pension Plan Relief Act (the Butch Lewis Act). The Butch Lewis act was part of the American Rescue Plan Act of 2021 (ARPA). In addition, the act was part of President Biden's COVID-19 relief package for people and organizations impacted by the pandemic. The Butch Lewis Act provides much-needed help to severely financially troubled multiemployer plans to meet their benefit obligations to workers, retirees, and dependents.

Recent Developments

The Butch Lewis Emergency Pension Plan Relief Act

The Butch Lewis Act authorizes the U.S. Treasury Department to provide the PBGC with an estimated \$86 billion to save the benefits of an estimated 3 million workers, retirees, spouses and widows. It identifies plans suffering severe financial shortfalls, often due to factors beyond the plan's control. These factors can include anything from automation to declines in the stock market.



Under Butch Lewis, the plan can apply for financial assistance so that it can continue paying benefits, including:

- Temporary funding relief
- Special financial assistance for qualifying plans through plan years ending in 2051
- The program will not harm health plans, such as the vast majority of IBEW multiemployer pension plans
- Grants, not loans no repayment required

The GROW Act, which would have allowed industry-designed composite plans, was excluded from the new law.

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Chapter 4: Protecting Labor Standards and the Rights of Working People

As a labor union, the IBEW is a leading voice for working families. The IBEW focuses on improving the lives of IBEW members and powering an economy that works for everyone. The IBEW advocates for high-road labor standards policies that include, for example:

- Prevailing wage requirements
- Project labor agreements (PLAs)
- Apprenticeship utilization requirements
- Local hire provisions
- Labor Peace Agreements
- Worker misclassification

The IBEW applauds the numerous steps taken by the Biden administration to improve and protect unions and the rights of working people.³ We will continue working with the Administration and Congress to advocate for policies safeguarding organizing and collective bargaining rights. We will also continue to ensure that federal investments in infrastructure include requirements to utilize registered apprenticeships and other high-road labor standards policies. Policies in federal legislation that protect workers create highquality union jobs and helps to advance equity and justice.

Pending Priorities

The Protecting the Right to Organize (PRO) Act

Support for unions has grown recently, especially after the COVID-19 pandemic. The August 1, 2022, Gallup poll showed approval for labor unions at its highest point since 1975, with 71 percent of those polled voicing their approval.⁴ Yet, despite this robust and growing support, the share of workers represented by a union is only around 10 percent.⁵

³ President Biden's First 18 Months: Assessing the Biden Administration's Record for Workers, Economic Policy Institute Report (Aug. 25, 2022),

⁴ Although statistically similar to last year's 68%, it is up from 64% before the pandemic and is the highest Gallup has recorded on this measure since 1965. <u>https://news.gallup.com/poll/398303/approval-labor-unionshighest-point-1965.aspx</u>

⁵ The 2022 unionization rate (10.1 percent) is the lowest on record, according to the Bureau of Labor Statistics. <u>https://www.bls.gov/news.release/pdf/union2.pdf</u>

In recent decades, anti-union interests have eroded federal labor laws. This deterioration has made it increasingly difficult for workers to win union representation and have their voices heard.

In 2021, lawmakers introduced the Protecting the Right to Organize (PRO) Act, legislation that would bolster workers' rights to organize and make classification rules for independent contractors more stringent. In addition, the PRO Act would impose harsher punishments for employers violating workers' rights. For example, the bill would allow workers to override right-to-work laws, protect the right to strike, and prevent employer interference in elections. The bill also includes civil penalties of up to \$50,000 per violation of the National Labor Relations Act (NLRA), double civil penalties of up to \$100,000 for repeat NLRA violations and civil penalties against directors and officers.

The PRO Act passed in the U.S. House of Representatives on March 9, 2021, but failed to pass in the Senate. However, President Biden has been a vocal supporter of unions and the right to organize. The Biden administration issued a policy statement supporting the bill the day before it passed in the House.⁶

The IBEW continues to advocate for the passage of the PRO Act and any opportunities to include similar provisions in new legislation.

Reauthorization of the National Apprenticeship Act

The IBEW is actively pushing Congress to reauthorize the National Apprenticeship Act. Advocacy efforts include any opportunities for similar provisions in any new legislation. Over five years, the National Apprenticeship Act would create nearly one million new openings for:

- Registered Apprenticeship Programs
- Youth Apprenticeship Programs
- Pre-apprenticeship Programs

The National Apprenticeship Act would provide jobs through a \$3.5 billion investment to registered apprenticeships to scale-up apprenticeship opportunities. In addition, the legislation would streamline access to apprenticeships for workers and employers. It will also expand apprenticeships into new in-demand industry sectors and occupations.

The Registered Apprenticeship system is America's most successful federally authorized workforce development program. According to the Department of Labor, 94 percent of people who complete registered apprenticeships are employed upon completion, earning an average starting wage of above \$70,000 annually.

Investments in apprenticeships not only pay off for workers and employers, but they also benefit taxpayers and construction project owners. Increased spending on apprenticeship programs is

⁶ Office of Management and Budget, Statement of Administration Policy: H.R. 842 – Protecting the Right to Organize Act of 2021 (March 8, 2021), <u>https://www.whitehouse.gov/wp-content/uploads/2021/03/SAP-HR842.pdf</u>.

more than offset by several factors. These factors include higher tax revenues, reduced spending on public-assistance programs, increased worker productivity and reduced safety incidents.

Apprentices from registered apprenticeships are adequately trained and always work under the supervision of journey-level workers. Apprenticeship requirements mitigate safety risks and improve project quality. In addition, research has shown that these requirements generally increase the number of project bidders and reduce bid costs⁷. Numerous studies have shown that these programs improve diversity and equity within the construction workforce.⁸

Apprenticeships are vital to creating a strong economy and rebuilding the middle class and are the most effective, time-tested method of training electrical workers in an industry replete with physical hazards.

Utilizing Registered Apprenticeship Programs (RAPs) ensures that trained, highly skilled professionals perform work. RAPS provides a reliable supply of workers that can complete construction projects, thereby ensuring a return on public investment.

The National Apprenticeship Act was written closely with the IBEW and North America's Building Trades Unions (NABTU).

Chapter Resources

Hyperlink	URL	QR
Registered Apprenticeship Sy	vstem Resources:	
<u>Unemployment, Bipartisan</u> <u>Group Unveils Legislation to</u>	https://edlabor.house.gov/media/press- releases/as-nation-faces-record- unemployment-bipartisan-group-unveils- legislation-to-expand-apprenticeships- invest-in-workforce-training.	

⁷See, e.g., U.S. Office of Management and Budget, *Task Force on Apprenticeship Expansion: Final Report to the President of the United States* (2018), <u>https://omb.report/icr/201812-1205-001/doc/88448201</u> (apprenticeship programs increase productivity and are a "key tool for addressing America's skills gap."); U.S. Department of Commerce and Case Western Reserve University, *The Benefits and Costs of Apprenticeship: A Business Perspective* (2016), <u>https://files.eric.ed.gov/fulltext/ED572260.pdf</u> (apprenticeship programs are cost-effective due to higher worker productivity, improved safety and project quality, reliable project staffing, and reduction in employee turnover).

⁸ See, e.g., Frank Manzo and Robert Bruno, *The Apprenticeship Alternative: Enrollment, Completion Rates, and Earnings in Registered Apprenticeship Programs in Illinois*, Illinois Economic Policy Institute (Jan. 2020), <u>https://illinoisepi.files.wordpress.com/2020/01/ilepi-pmcr-the-apprenticeship-alternative-final.pdf;</u> Larissa Petrucci, PhD, *Constructing a Diverse Workforce: Examining Union and Non-Union Construction Apprenticeship Programs and their Outcomes for Women and Workers of Color*, University of Oregon, Labor Education and Research Center (2021), <u>https://cpb-us-</u>

e1.wpmucdn.com/blogs.uoregon.edu/dist/a/13513/files/2021/11/Constructing A Diverse Workforce.pdf.

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Manufacturing, Trade & Immigration

Government Employees, Maritime, Shipbuilding & Transportation

Construction, Labor Standards & Apprenticeships



Chapter 5: A Just Transition for Energy Workers

The IBEW supports federal legislation that would incentivize employers to keep displaced fossil fuel workers working.

The IBEW is the largest labor union in the power sector. Approximately 85,000 members in the U.S. work at coal and natural gas power plants. As a result of efforts to limit climate change, many fossil fuel workers today are vulnerable to potential displacement due to the transition to other forms of electrical generation, such as solar and wind power. The U.S. Energy Information Administration has found that between 2011 and 2021, nearly 89 gigawatts of coal-fired electric generation capacity were retired in the United States. That equates to about a third of the total coal-fired generation capacity. The Government Affairs Department aims to protect fossil fuel workers from displacement, especially IBEW workers who find themselves unemployed through no fault of their own and who are often among best paid blue-collar workers in their communities. Congress needs to take action and ensure these workers are made whole.

Recent Developments

Worker Retention

The IBEW supports a policy that would incentivize fossil fuel employers, primarily electrical utility companies, to keep displaced fossil fuel workers on their payroll. This policy proposal would also include provisions for utility companies to redirect displaced workers to perform other duties at the company. Lawmakers can model such an incentive after the Employee Retention Tax Credit (ERTC) created under the The Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The ERTC, initially designed for small employers, gave these businesses a tax credit of \$7,000 per annual quarter for a total of \$28,000 in annual tax credits for keeping an employee on their payroll. Lawmakers can use a modified version of the ERTC to support the significant number of fossil fuel workers vulnerable to displacement in the coming years. Prioritizing the protection of the workers in this industry is a must, considering that the U.S. has increasingly focused greater attention on reducing carbon emissions in the power sector.

The American Energy Worker Opportunity Act

Another policy proposal intended to provide a transition to traditional energy workers is the AFL-CIO-endorsed American Energy Worker Opportunity Act. This legislation would create a worker transition program with wage supplements, health care benefits, education and training funds, and additional help for children of laid-off workers. It would include the following:

- Eligibility if the employer terminates them through a layoff from a coal mine, coal-fired power plant, coal transport or oil refinery, provided that the worker was employed continuously and full-time for at least 12 months before the layoff
- Wage replacement or supplement and assistance to maintain health benefits and contribute to retirement
- Eligibility for grants for allowable education and training up to and including a four-year degree
- Direct educational grants for the children of dislocated workers deemed eligible by the program for allowable education and training up to and including a four-year degree
- A prioritization of employers who plan to hire eligible workers for the clean energy grants created under the Inflation Reduction Act

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Chapter 6: Prevailing Wage Requirements

The IBEW supports prevailing federal, state, and local wage laws. Prevailing wage laws benefit workers, employers, communities and taxpayers by fostering an environment where skilled craftsmen and women complete projects safely and efficiently.

The Davis-Bacon Act covers contracts with the federal government or the District of Columbia over \$2,000 for construction, alteration, and repair, including painting or decorating, of public buildings or public works. Davis-Bacon requirements also extend to numerous "related Acts" that provide federal assistance through grants, loans, loan guarantees, or insurance.

The U.S. Department of Labor is responsible for determining local prevailing wage rates. The Wage and Hour Division issues two types of wage determinations: general determinations, also known as area determinations, and project determinations. A project wage determination is issued at the specific request of a contracting agency for a specific project. Usually, it expires in 180 days.

Although opponents of a prevailing wage claim that prevailing wage requirements increase project costs, harm the economy, and squeeze small businesses out of significant opportunities, the opposite is true. Davis-Bacon laws ensure that public construction jobs go to local residents, increasing state and local tax revenue. These laws also stabilize project costs and improve productivity and safety on the job site.

First, by establishing local wage rates as the prevailing wage rates on public works projects, Davis-Bacon laws encourage contractors to hire locally. Davis-Bacon also helps local contractors compete for local projects by protecting against under-bidding. Low-road contractors often underbid these projects by bringing in workers from other areas for less pay. Research shows that prevailing wage laws do not increase the overall cost of public construction projects. Construction labor costs constitute a comparatively low share of total project costs. Contractors who pay the prevailing wage can offset these costs because prevailing wage laws promote better training, greater skill levels, and higher productivity.

Furthermore, research shows that prevailing wage laws increase tax revenue to states and localities by ensuring that contractors hire locally and workers pay local taxes.

With prevailing wage requirements, large and small contractors can attract highly-skilled and trained workers. Prevailing wage rates within a locality ensure the quality of the craftsmanship on a project and that the workers can do the job right the first time. In addition, having the proper workforce prevents costly and time-consuming delays further down the road. When a contractor procures a highly skilled, extensively trained, safety-conscious workforce, their projects are completed safely, on time and within or under budget. As a result, taxpayers get a fair return on investment for public projects funded by federal tax dollars.

Prevailing wage requirements bring stability to the inherently volatile construction labor market. These requirements benefit the industry in recruiting and training workers and maintaining the long-term supply of skilled labor.

Recent Developments

Davis-Bacon in the Bipartisan Infrastructure Law

Congress included Davis-Bacon protections in many programs under the Bipartisan Infrastructure Law (BIL).

The BIL applies Davis-Bacon labor standards to federally funded or assisted construction projects in three ways:

- 1. Adding funding to programs previously authorized by an existing Davis-Bacon Related Act
- 2. Adding new programs under the umbrella of an existing Davis-Bacon Related Act
- 3. Including provisions that expressly provide that Davis-Bacon labor standards apply to all construction projects receiving funding under particular programs created by or funded through BIL

Proposed Updates to Davis-Bacon Regulations

On March 11, 2022, the DOL announced the publication of the proposed rule, "Updating the Davis-Bacon and Related Acts Regulations." The DOL proposed amending regulations that set forth rules for the pre-determination of Davis-Bacon wage rates. It also proposed amending the administration and enforcement of Davis-Bacon labor standards that apply to federal and federally-assisted construction projects.

http://www.epi.org/publication/bp215/.



⁹ See, e.g., Nooshin Mahalia, Prevailing wages and government contracting costs (2008),

The Davis-Bacon Act was first signed into law by President Herbert Hoover in 1931. However, a Reagan-era overhaul substantially weakened the law. The Regan administration changed the calculation of local prevailing wage laws, which reduced the rate paid to workers on federally funded construction projects. The DOL's proposed regulations will restore the original formula and review it more frequently so that rates set for federal contractors continue to align with local construction wages. In addition, the update includes anti-retaliation language to protect workers who raise concerns about payment practices from being fired or discriminated against by their employer. There are also new strategies for recovering back pay.

The new regulations will deliver changes promised by President Biden to rebuild our nation's infrastructure and revitalize the economy through infrastructure investments that create good, union jobs.

The primary purpose of the proposed rule is to return to the 1935-1983 era three-step method of determining "prevailing wage" rates:

- 1. Any wage rate paid to a majority of workers
- 2. Suppose there is no wage rate paid to a majority of workers. In that case, the wage rate is paid to the greatest number of workers, provided it is paid to at least 30 percent of workers (i.e., the so-called "30-percent rule")
- 3. If the 30 percent rule is not met, DOL will use the weighted average rate

This reform will ensure that prevailing wages reflect the wages paid to local community workers. The proposed rule will also mean higher worker wages through faster prevailing wage updates. The updated regulation will provide internal safeguards to ensure that prevailing wages keep up with actual wages. The rule will also include more efficient enforcement of the act's standards. In addition, the proposed rule will enhance worker protection and enforcement, including debarment and anti-retaliation provisions.

The proposed rule is poised to have a substantial impact. Davis-Bacon laws cover roughly \$217 billion in annual federal construction contracts. As a result, the administration and Congress expect the Bipartisan Infrastructure Law to lead to the most significant surge in federal construction spending in modern history.

Due to the partisan environment in which President Biden and Congressional leaders negotiated, efforts to secure prevailing wage policies on all BIL programs were complicated by opposition from Republican-supported industry and corporate interests. Senate Republicans refused to support the law's inclusion of Davis-Bacon prevailing wage protections for new programs within the BIL. As a result, Davis-Bacon protections will apply to some – but not all – BIL-funded projects.

The Government Affairs Department continues to work closely with the Biden Administration, federal agencies and Congress to ensure that prevailing wage requirements and other meaningful labor standards are incorporated into federally funded and assisted projects to the greatest extent possible under the law.

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Construction, Labor Standards & Apprenticeships



Chapter 7: Supporting Tribal Workers

The IBEW opposes the Tribal Labor Sovereignty Act, a thinly veiled attempt to roll back workers' rights on tribal land. The Tribal Labor Sovereignty Act seeks to strip workers of their fundamental rights at work. It has little to do with the freedom of Native Americans to self-govern.

Several consecutive congresses have introduced bills proposing "labor sovereignty" on tribal lands. The proposed legislation excludes Native American tribes and tribal enterprises, as well as institutions on tribal land from requirements for employers under the National Labor Relations Act (NLRA). The NLRA guarantees workers the right to organize, form a union and engage in collective bargaining. The NLRA also protects workers against unfair labor practices such as coercion, interference in union organizing campaigns and retaliation or discrimination based on union activity.

The bill would apply to all employees of those businesses, including non-tribal citizens. As a result, between 600,000 and 800,000 workers – including thousands of IBEW members working on tribal land – could lose protections guaranteed by the NLRA. This loss would constitute the most significant rollback of labor protections since Congress enacted the NLRA in 1935.

The number and type of businesses and construction on tribal land extends well beyond the gaming industry and includes mining operations, power plants, sawmills, construction companies, ski resorts, high-tech firms, hotels and spas. Many of these are commercial businesses, not governmental entities, and serve non-Native American populations.

The IBEW is committed to labor standards policies that help workers obtain better wages and benefits and ensure safe working conditions. Removing these worker protections, including the rights to organize and form a union, would harm Native American and non-Native American workers in historically challenged lands and communities.



The Tribal Labor Sovereignty Act is a transparent attempt by gaming interests and contractors to cut their investments in those lands dramatically, underpay their workers, and make it harder for those workers to organize, bargain collectively, and exercise their rights under the NLRA. As such, the IBEW strongly opposes this legislation.

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Construction, Labor Standards & Apprenticeships



Chapter 8: Project Labor Agreements

A project labor agreement (PLA) is a pre-hire collective bargaining agreement that establishes the terms and conditions of employment for all construction crafts on a project.

PLAs increase the efficiency and quality of major construction projects for the private sector and local, state, and federal governments.

PLAs save taxpayers and investors billions of dollars, reduce the uncertainty inherent in large-scale construction projects, increase on-time, on-budget completion and guarantee a highly-trained and skilled project workforce.

What are Project Labor Agreements?

A Cost-Effective and Efficient Tool

PLAs help government and private sector owners ensure efficiency and quality on large, complex construction projects by coordinating all the construction trades on the project and protect against costly work stoppages and delays with nostrike, no-lockout, and speedy dispute resolution provisions.

The workforce training requirements associated with PLAs also prevent costly delays and safety issues that result from unskilled workers' lack of knowledge and training. Projects are completed promptly, on budget and are done right the first time, because using a highly skilled and trained workforce with the highest project standards minimizes the need for work to be redone and results in fewer and less expensive repairs and maintenance in the future.

Flexibility, Financial Certainty, Communication

One of the primary reasons businesses and labor utilize PLAs is that each agreement is customized to meet the requirements of the type of project, including needs for:

- The project owners and contractors
- The skilled workforce necessary to complete the project
- The community hosting the project and many other factors that impact a construction job site



The customization of PLAs is one of the most significant advantages of their use. It is also why businesses use them to complete complex construction projects.

PLAs facilitate more accurate budgeting and cost forecasting for project owners and contractors by establishing a set wage and benefits package for all craft workers and apprentices. PLAs also guarantee constant communication between contractors and their workforce throughout a project. The agreements coordinate each craft's work schedules and scope, resulting in the efficient use of materials, jobsite equipment, workers, and contractors.

Safety, Security, and No Skills Shortage

PLAs ensure a project is safer by guaranteeing that all workers are well-trained. Worker training is critical since construction is one of the most dangerous industries. Using a highly skilled workforce protects project owners, contractors, and workers by reducing jobsite accidents. Contractors also pay less for workers' compensation due to employing a safer workforce. Importantly, PLAs provide guaranteed access to a steady pipeline of well-trained and highly skilled individuals. This pipeline ensures that there are enough craft workers throughout all project phases.

Communities and Careers for Local Residents and Veterans

PLAs encourage veteran, local hire, and employment of women and people from communities of color, providing a pathway to a career in the skilled construction trades. In addition, PLAs help local businesses and communities by promoting the hiring of local workers. As a result, local workers spend their paychecks in the same cities and towns of the project.

Addressing the Federal PLA ''Mandate Myth''

The idea that the federal government can mandate union hire on their PLA projects is false. The fact is that the law prohibits the federal government from mandating that workers on PLA projects be members of a union. The PLA business model does not require or pre-determine that a workforce be union or nonunion. It allows the project owner, such as the government or private sector entity, to ensure successful project delivery. Efficiency is established by having uniform workforce standards that union and nonunion contractors and their workforce must meet as a condition of participating in the project. The type of project defines workforce standards needed for construction or maintenance and has nothing to do with union membership.

Recent Developments

President Biden's PLA Executive Order

President Biden signed an executive order on February 4, 2022, announcing that it is the policy of the federal government to use PLAs for its large-scale construction projects. It applies to all solicitations for contracts worth \$35 million or more for construction projects built by the federal government and its agencies. Based on FY2021 figures, this Order is expected to affect \$262 billion in federal government construction contracts.

The Executive Order does not apply where the federal government provides financial assistance to state or local governments for their projects. Due to this factor, many projects funded by the Bipartisan Infrastructure Law will not be subject to the Order.

Chapter Resources

Hyperlink	URL	QR
PLA Resources:		
PLA Executive Order	https://www.whitehouse.gov/briefing- room/presidential- actions/2022/02/04/executive-order-on-use- of-project-labor-agreements-for-federal- construction-projects/	
Fact Sheet	https://www.whitehouse.gov/briefing_ room/statements-releases/2022/02/03/fact- sheet-president-biden-signs-executive-order- to-boost-quality-of-federal-construction- projects/	

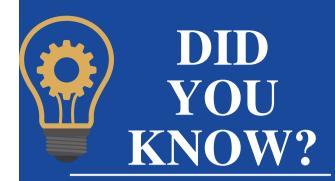
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Funding Federal Programs Requires Authorization Before Appropriation



AUTHORIZATION

Establishes, continues, or modifies federal agencies or programs

Necessary for mandatory federal spending

Legislation is written by congressional committees with jurisdiction over specific subject areas

Allows for the expenditure of funds from the federal budget

A Conference Committee resolves any differences in the authorization bills passed by the House and Senate

APPROPRIATIONS

Outlines how money will be spent on federal program during the following fiscal year

Addresses discretionary federal spending

Annual appropriations measures are written by 12 Appropriations Subcommittees in each chamber of congress

The same version of the appropriations bill must be passed by both the House and the Senate

The Authorization Process





House and Senate Committees draft authorization bills

- House and Senate each pass a version of the authorization bill
- If the bills are not the same, a Conference Committee resolves any differences and sends the bill back to both chambers



Authorization is sent to the White House; president passes or vetoes

Authorization and appropriations bills are related

Authorizations cover multiple years. Authorization laws only allow the government to spend money on the grant program.

Appropriations are the actual dollars the government budgets for the program yearly.

Authorizations in the absence of appropriations

Congress may choose not to fund a program or activity despite it being authorized.

Members of Congress can limit funds, deny funds, or allow funds to expire to limit or prevent agencies from implementing programs.

An authorization bill that becomes law creates, continues, or modifies a program and allows for it to be funded by taxpayer money





Chapter 9: Labor Standards on Federal Energy Tax Credits

Foundational to IBEW's advocacy efforts is the inclusion of labor standards on all federally-assisted construction projects. IBEW's advocacy efforts for labor standards include any federal incentives or assistance for infrastructure projects. A core provision of this policy is that all recipient contractors and subcontractors must pay, at the very least, Davis-Bacon Act prevailing wage rates. The IBEW's list of federal investments that must have labor standards includes, but is not limited to:

- Tax Credits
- Loans
- Bonds
- Grants
- Direct Federal spending

Congress uses federal tax credits and deductions as one of its main tools to drive the construction of clean energy infrastructure to combat climate change. Renewable energy tax credits are most often within Congress' priorities with tax law. The IBEW supports the following labor standards on all legislation that provides federal financial assistance or incentives for energy infrastructure:

- Prevailing wage requirements
- Registered apprenticeship utilization requirements
- Union neutrality agreements
- The application of the ABC test to combat worker misclassification
- Local hire provisions

Recent Developments

The clean energy tax credits under the Inflation Reduction Act of 2022 include prevailing wage and apprenticeship utilization requirements are a major legislative win for the IBEW. As a result, the Government Affairs department will now focus on ensuring agencies implement and enforce the labor standards appropriately on clean energy tax credits.



The Inflation Reduction Act of 2022

The Inflation Reduction Act includes critical strong labor protections in over \$300 billion in tax credits for clean energy infrastructure projects. Such protections will guarantee that these projects will create middle-class, family-sustaining career opportunities across America.

Labor Standards in the Inflation Reduction Act of 2022

The Inflation Reduction Act modifies several existing clean energy and energy efficiency tax incentives. This update to these tax incentives provides for two tax credit values: a base rate and an alternative or bonus rate. The bonus rate equals five times the base rate. It applies to projects that meet prevailing wage and apprenticeship utilization requirements. A taxpayer must satisfy both criteria to receive the bonus credit rate. Otherwise, they may claim the appropriate credit at the base rate.

The prevailing wage requirements require that the taxpayer ensure laborers and mechanics are paid prevailing wages during the construction of a qualifying project. In addition, in some cases, the alteration and repair of the project for a defined period after the owner places it into service also require prevailing wage rates. The U.S. department of labor publishes the most recent prevailing wage rates for a locality on <u>SAM.gov</u> (see chapter resources.)

The apprenticeship requirements require that the taxpayer ensure that qualified apprentices perform no less than the applicable percentage of the total labor hours of the project. The appropriate percentage for this requirement is 10 percent for projects beginning in 2022. This rate increased to 12.5 percent in 2023 and 15 percent after that. In addition, the taxpayer and any contractor or subcontractor that employs four or more individuals to perform construction on a qualifying project must employ at least one qualified apprentice.

The Inflation Reduction Act includes stringent penalties for noncompliance with the wage and apprenticeship requirements in the Inflation Reduction Act; these penalties include:

- Prevailing wage violation penalties:
 - Suppose the taxpayer fails to satisfy the requirements, they may cure the discrepancy (and still claim credits at the bonus rate). They can remedy their mistake by compensating each worker the difference between actual wages paid and the prevailing wage, plus interest, and paying a \$5,000 penalty per worker paid below the prevailing wage during the taxable year.
 - Suppose the discrepancy is the product of "intentional disregard," the taxpayer must pay each worker three (3) times the difference in wages, and Treasury increases the penalty to \$10,000 per worker. Once the Treasury determines a discrepancy occurred, the taxpayer must make payments to the affected employees and the Treasury within 180 days of the determination to remain in compliance.

- Apprenticeship utilization violation penalties:
 - Suppose a taxpayer fails to satisfy the apprenticeship utilization requirements. In that case, they may cure the discrepancy by paying the penalty to the Treasury equal to \$50 multiplied by the total labor hours for which the conditions are not satisfied.
 - This penalty is increased to \$500 per hour if the discrepancy is the product of "intentional disregard" for the requirements
- EXCEPTION to apprenticeship requirements:
 - Taxpayers who have made a "good faith effort" to hire qualified apprentices for project construction are deemed to satisfy the requirement and are eligible for the bonus rate. A "good faith effort" is defined as requesting apprentices and receiving a denial or not receiving a response within five (5) business days.

Renewable Energy Tax Credits in the Inflation Reduction Act

Examples of renewable energy tax incentives included in the Inflation Reduction Act include:

- Section 13101: This provision provides for an extension of 3 years and modification of the Production Tax Credit (PTC) through December 31, 2024
 - The provision re-establishes the Solar PTC. Full credit availability is subject to Labor Standards; an additional 10 percent bump for domestic content. 10 percent increased credit for property placed in an energy community. Energy community means: a) a brownfield site, b) an area with significant employment in coal, oil or natural gas and an unemployment rate at or above the national average, and c) a coal mine closed after 1999 and a coal plant retired after 2009.
- Section 13104: This provision provides an extension and Modification of Credit for Carbon Oxide Sequestration, referred to as Sec. 45Q
 - This credit has a beginning construction deadline of December 31, 2032. Direct Air Capture (DAC) facilities must capture at least 1,000 metric tons of carbon oxide. Credits are modified to include a base credit of \$26/ton if carbon oxide is utilized or \$36/ton if sequestered. If the employer meets labor standards, it increases to \$130/ton and \$180/ton. Electricity-generating facilities must capture at least 18,750 metric tons of carbon oxide is utilized or \$17/ton if sequestered. The credit increases to \$60/ton and \$85/ton if the employer meets labor standards. The credit period is 12 years.
- Section 13105: This provision creates a Nuclear Production Tax Credit referred to as Sec. 45U
 - The base credit rate of 0.3 cents/KWh and a bonus credit rate of 1.5 cents/kWh. Credit is reduced as the sale price of such electricity increases, with a complete phase-out once the price reaches \$43.75/MWh. In addition, Congress clarified the treatment of State Zero Emissions credits and how the agency counts the credit toward calculating the nuclear PTC. Effective January 1, 2024, and expires December 31, 2032.

- Section 13204: Provides for creating a Clean Hydrogen Production Tax Credit, referred to as Sec. 45V
 - This credit is equal to the applicable percentage of the base rate of \$0.60 or the bonus rate of \$3.00, indexed to inflation, multiplied by the volume (in kilograms) of clean hydrogen. Congress bases the applicable percentage on the "lifecycle greenhouse gas emissions rate." The credit is scaled based on greenhouse gas emissions, with complete credit phase out at or above 4 kg of CO2e per kg of hydrogen. It can be used or sold to be eligible for credit. Includes the optionality to elect for the ITC if the asset meets specific requirements. Effective for hydrogen produced after December 31, 2022, at a clean hydrogen facility constructed before January 1, 2033.
- Section 13303: This provision expands the Energy Efficient Commercial Buildings Deduction, referred to as Sec. 179D
 - It increases the maximum deduction and changes it from a lifetime to a 3-year cap. Congress has updated the eligibility requirements for the credit. Now the property must reduce associated energy costs by 25 percent or more compared to a building that meets the ASHRAE standards as of 4 years before the owner places the installation into service. Increased deduction based on meeting Labor Standards.

Chapter Resources

Hyperlink	URL	QR
Labor Standards on Federal Credits Resources:		
<u>Wage Determinations</u>	https://sam.gov/content/wage- determinations	
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Chapter 10: Carbon Capture Technologies

The IBEW supports proposals to develop emerging technologies in carbon capture utilization and storage (CCUS). In particular, the IBEW supports technologies that can achieve carbon reductions at utility and industrial plants while highlighting American engineering and manufacturing and creating tens of thousands of new jobs.

Domestic energy sources like natural gas and coal are baseload (24/7) sources of electricity production in an industry that provides workers, particularly in rural communities, with a reliable livelihood. The United States has retired some 88,700 megawatts of coal capacity since 2011, mainly due to lower natural gas prices. The U.S. Energy Information Administration (EIA) projects an additional loss of 12,600 megawatts by the end of 2022. Coal and natural gas significantly contribute to the total U.S. power generation mix. The EIA predicts natural gas will provide over 30 percent of the entire U.S. generation in 2050.

The consensus is that CCUS is essential in reducing carbon emissions. The broad deployment of CCUS is key to avoiding the worst effects of climate change. Implementation of CCUS technology can support energy security, protect existing energy infrastructure, and create high-quality familysupporting jobs.

The IBEW's position is that CCUS adoption is essential to safeguarding energy careers critical to working families and communities across the U.S. IBEW members have worked countless hours installing and maintaining pollution control equipment in coal-fired powerhouses, steel mills, automobile manufacturing facilities, oil refineries, and other industrial facilities.

What Does Carbon Capture Technology Provide?

Effective CO₂ Control

To reach near-zero or equivalent emission targets, CCUS in retrofit applications can work with both coal and natural gas in retrofit applications. For example, for utilities, a coal plant with 90 percent effective CO2 removal has an emission rate of about 200 pounds of CO2 per megawatt-hour, compared with 800 pounds for uncontrolled new natural gas combined-cycle units. In addition, for many industrial sources, like refineries, steel, chemicals, paper, and cement, CCUS may be the only effective CO2 control option.

Fuel for the Economy and Energy Independence

The deployment of advanced coal technology and CCUS will provide the United States with a path to enhanced oil recovery, energy independence, and greenhouse gas emission reductions. The commercialization of CCUS would also offer the United States a critical technology it could export to other countries. In addition, by leading the CCUS market, the United States can target countries that are significant consumers of fossil fuels, like China and India.

Recent Developments

The Energy Act of 2020

The Energy Act of 2020 passed with strong bipartisan support and created several research and pilot programs to support the development of carbon capture and direct air capture technologies. Among the new programs developed are:

- A general research and development program for carbon capture technologies authorized at \$230 million annually and gradually decrease to \$150 million by 2025
- A large-scale carbon capture pilot project program that Congress authorized at \$225 million for 2021 and 2022, \$200 million for 2023 and 2024, and \$150 million for 2025
- A new program for demonstration programs two focused on capture at natural gas facilities, two at coal facilities, and two for emissions at other industrial facilities with funding for \$400 million annually through 2024 and \$600 million annually in 2025
- A new research, development, and demonstration program to examine methods, technologies, and strategies for large-scale carbon dioxide removal from the atmosphere

The Bipartisan Infrastructure Law (BIL)

The BIL creates several new programs to support the research, demonstration, and commercialization of carbon capture technologies; these include:

- \$3.5 billion for Regional Direct Air Capture Hubs, which would create four direct air capture hubs (facility, technology, or system that uses carbon capture equipment to capture carbon dioxide directly from the air)
- \$2.5 billion for Carbon Storage Validation and Testing for the development of new or expanded commercial large-scale carbon sequestration projects and associated carbon dioxide transport infrastructure, including funding for the feasibility, site characterization, permitting, and construction stages of project development
- \$2.1 billion for Carbon Dioxide Transportation Infrastructure Finance and Innovation Program to establish and carry out a large-capacity, common carrier infrastructure with associated projects in all significant carbon-dioxide emitting regions of the United States
- \$355 million for energy storage demonstration projects, including carbon capture technologies and direct air capture technologies

Employers will pay all construction and maintenance workers prevailing wages on projects funded by carbon capture and direct air capture programs created under the BIL.

The Inflation Reduction Act (IRA)

The Inflation Reduction Act included an extension and modification of the credit for carbon sequestration. Often referred to as 45Q, this is the legal statute for credit. Direct air capture (DAC) facility construction projects must start before December 31, 2032. Benefits vary. Requirements and benefits are:

- Facilities must capture at least 1,000 metric tons of carbon oxide.
 - If the facilities utilize the captured carbon, DAC facilities can receive a base credit of \$26 per ton, with an additional
 - \$36 per ton if sequestered with an extra
 - Increase to \$130 per ton and \$180 per ton if the project adheres to labor standards
 - Electricity-generating facilities must capture at least 18,750 metric tons of carbon oxide.
 - If the facilities utilize the captured carbon, it can receive a base credit of \$12 per ton or \$17 per ton if sequestered, with an additional
 - If the project adheres to labor standards, the facility is eligible for \$60 per ton to \$85 per ton, respectively.
- The credit period is 12 years.

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IBEW and other stakeholders expect that the IRA reforms to the 45Q tax credit will significantly boost the building of carbon capture facilities around the country.

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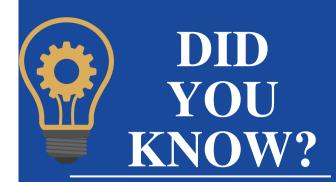
Manufacturing, Trade & Immigration

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Scan the below QR Code to access the IBEW Legislative Scorecard





IBEW Has a Scorecard for Members of Congress

By entering your address, you can find how your Members of Congress have voted on bills that the IBEW has identified to have in impact on IBEW members and their jobs

ibew.org/votescorecard

What can you find?

The IBEW Scorecard can also give you brief descriptions of the legislation that we track:

By hovering over the ① next to the name of the bill, you will see a pop-up with a description of how it impacts I members

The IBEW Scorecard works on your mobile device too. To view descriptions of legislation on your mobile device, you can tap on the 10 icon to see the description



GOVERNMENT AFFAIRS



Chapter 11: Tax Normalization for Utilities

The IBEW is supportive of Congress allowing regulated electric utilities to be able to opt-out of their current obligation to "normalize" federal investment tax credits (ITCs) over a long period and allow regulated utilities to compete on a level playing field as independent energy developers who are not required to normalize federal ITCs.

Regulated utilities are obligated under federal law to divide and spread, or "normalize," a federal ITC benefit to customers over an asset's life, typically at least 20 years but often longer. Standards within the U.S. tax code for normalization are different for deregulated companies and independent power producers than normalization standards for regulated electric companies. As a result, deregulated companies and independent power producers can share ITC benefits much faster with their customers. As a result, regulated electric companies are at a competitive disadvantage when proposing new investments in clean energy technologies. Instead, regulated utilities should be permitted to account for federal ITCs in the same manner as independent power producers do. including the abilities provided in Section 48 solar tax credit. Independent power producers can allow their customers to realize the benefit of the tax credit as soon as possible, usually within the first five years of the investment.

Regulated electric utilities are among the largest employers of IBEW members. Nearly a quarter million IBEW members hold full-time positions in the utility sector. Therefore, it is paramount that the members of the IBEW and their employers be allowed to compete on an equal basis as independent power producers. Independent power producers can utilize federal ITCs without the requirement to normalize.

Recent Developments

The Inflation Reduction Act's Changes to Tax Code

The Inflation Reduction Act made two fundamental changes to the tax code to allow investor-owned utilities to opt-out of their tax normalization obligations. These modifications enable investor-owned utilities to compete as independent power producers on an equal financial footing.



First, the Inflation Reduction Act reauthorized the solar production tax credit. The solar PTC initially expired in 2005. Congress extended and modified the credit to allow all commercial-sized solar generation taxpayers to receive the tax credit for power generation. Commercial-sized solar generation taxpayers will receive the credit at the same rate as wind generation, 0.3 cents per kilowatt hour. In addition, the credit is multiplied by five if the solar PTC project satisfies the new prevailing wage and apprenticeship requirements.

Second, the Inflation Reduction Act consolidates the various renewable and clean energy tax credits into two new technology-neutral credits after 2024, the Clean Energy Production Tax Credit (Section 45Y) and Clean Energy Investment Tax Credit (Section 48E). Both credits, which will go into force in 2025, will provide similar rates of benefit as the earlier renewable tax credits but will not have any tax normalization obligation for investor-owned utilities.

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Chapter 12: Advanced Nuclear Power

The IBEW policies support initiatives that develop advanced nuclear technologies that extend the lives of current nuclear reactors. Nuclear generation is the only baseload (24/7) source of zero-emissions energy production. Nuclear generation is critical if the United States continues to reduce carbon emissions and avoid the worst potential impacts of climate change. Moreover, nuclear is the only carbon-free source that can ensure around-the-clock generation.

Next-generation nuclear power is a critical component of the effort to combat climate change. The IBEW supports research and development funding and collaboration with industry to nurture next-generation nuclear reactors, balancing economic competitiveness with reasonable regulatory oversight. Advanced nuclear technology is a fundamental component of an all-of-the-above energy strategy.

Nuclear plants provide an industrial base in the geographic area. The industry supplies high-quality employment, providing family-sustaining careers that pay, on average, one-third more than other jobs in the community. The IBEW is the largest union in the nuclear industry -15,000 IBEW members are employed full-time at 55 nuclear facilities across the United States. In addition, thousands more IBEW members in the construction sector rotate through nuclear plants under contracts for maintenance and refueling. Nuclear generating facilities are among the safest industrial work environments in the world.

Nuclear power has accounted for about 20 percent of annual U.S. electricity generation since the late 1980s. In 2020, it was 19.7 percent. In recent years, the U.S. nuclear power industry has faced economic challenges. These challenges are particularly true for plants located in power markets where natural gas and renewable power generators influence wholesale electricity prices. As a result, thirteen U.S. nuclear power reactors have permanently closed since 2012. In addition, owners of U.S. nuclear reactors have announced six additional U.S. reactor retirements through 2025. Some of these planned closures, such as Diablo Canyon in California, may be delayed due to grid reliability concerns and new federal incentives for nuclear generation.



Recent Developments

Nuclear's Future

Nuclear Energy Provisions in the Bipartisan Infrastructure Law

The Biden administration has identified the nation's current fleet of nuclear power plants as vital for achieving the national goals of a net-zero electricity sector by 2035 and net-zero emissions economy-wide by 2050. Accordingly, the Bipartisan Infrastructure Law (BIL) includes several nuclear energy-related provisions. Through the Department of Energy (DOE)'s new Advanced Reactor Demonstration Program (ARDP), these provisions outline support for keeping nuclear power plants online that are facing economic hardship.

The BIL established a \$6 billion civil nuclear credit program designed to preserve the existing nuclear fleet and prevent premature shutdowns of nuclear power plants. The DOE expects this provision to help maintain the U.S. reactor fleet and save thousands of high-paying jobs across the country. The law provides \$6 billion through 2026 (\$1.2 billion annually).

Under this program, owners or operators of commercial U.S. reactors can apply for certification to bid on credits to support their continued operations. The project owners must show that the reactor will close for economic reasons without aid. Additionally, project owners must demonstrate that the closure will lead to a rise in carbon emissions.

The BIL recognizes the contributions of our nation's existing nuclear reactor fleet in providing reliable, clean power to millions of households and supports continued operations of these clean energy sources and the nearly 100,000 U.S. jobs in the nuclear industry.

Reliability for Uncertain Times

While the United States implements more intermittent renewable power from solar and wind, the need for reliable baseload generation will grow. Especially considering the severe weather, such as polar vortexes to triple-digit summer heatwaves the U.S. has been experiencing in recent years. These extreme weather events have revealed the need for nuclear power and the zero-emission baseload generation it provides.

The United States can reduce CO2 emissions by 3.5 billion tons by 2050 if we ensure that all existing nuclear reactors run for 80 years instead of 60 years. In addition, the U.S. expects electricity demand to rise significantly in the coming decades, so clean and reliable electricity is paramount.

A Permanent Place for Waste

Critical to the future of the nation's nuclear sector is opening a permanent repository for spent nuclear fuel. More than 88,000 metric tons of spent nuclear fuel are sitting at 121 temporary sites in 39 states across the country. Going back to the late 1970s, the IBEW has endorsed legislation that ensures central storage, safe transportation, and permanent disposal of spent nuclear fuels.

Due to local opposition, the Department of Energy has abandoned the decades-long effort to designate Nevada's Yucca Mountain as a repository. Instead, it has announced a search for willing communities to store nuclear waste.

A permanent geologic repository would help boost support for nuclear generation. Storage stability for byproducts will solidify nuclear as a foundational part of our nation's energy portfolio. We also need to ensure public support for the next generation of advanced nuclear reactors that will come online soon.

In the interim, the IBEW supports opening a temporary facility to store spent nuclear fuel safely. An interim facility would allow for the redevelopment of shuttered nuclear plants. The facility would also bring economic revitalization, tax revenue, and jobs to working families and communities that the closures have hard hit. In addition, due to existing electrical transmission infrastructure, many closed nuclear stations are ideal sites for the future development of other forms of electrical generation, including renewables.

Pending Priorities

Fuel for Advanced Nuclear Reactors

The U.S. government is already pivotal in developing new advanced reactors. The Department of Energy's Advanced Reactor Demonstration Program represents a multi-billion-dollar commitment to developing and deploying new nuclear technologies. However, most of these new reactors require a next-generation nuclear fuel called High-Assay, Low-Enriched Uranium (HALEU). Nine designs selected for DOE's Advanced Reactor Demonstration Program require HALEU-based fuels. Unfortunately, no HALEU is produced in the United States today for commercial purposes. The only international source currently available is imported from Russia. The IBEW and the nuclear industry have been calling for federal support for domestic HALEU production. The need for a safe domestic source of HALEU fuel has become more pressing since Russia began its invasion of Ukraine in late February 2022.

The now-passed Inflation Reduction Act appropriates \$700 million to support the availability of HALEU. In addition, Congress has funded civilian domestic research, development, demonstration, and commercial use and used a competitive, merit-based review process.

Nuclear Power Production Tax Credit

The Inflation Reduction Act has created a new production tax credit (PTC) for conventional nuclear generation. Congress modeled the nuclear PTC tax credit after wind generation's current production tax credit. The nuclear PTC tax credit will now provide a base credit rate of 0.3 cents/kWh and a bonus credit rate of 1.5 cents/kWh. Credit is reduced as the sale price of such electricity increases, with a complete phase-out once the price reaches \$43.75/MWh. To claim the credit, the nuclear facility must pay its construction and maintenance workers prevailing wages. Effective Jan. 1, 2024, and expires Dec. 31, 2032.

Like the Energy Department civil nuclear credit program, the nuclear PTC intends to help financially vulnerable nuclear facilities. Nuclear PTC will increase the competitiveness of nuclear plants when matched against natural gas and renewable generation. The program's ability to increase nuclear competitiveness is especially true in unregulated energy markets. It will also end the string of premature nuclear plant retirements that have resulted in lost work hours and jobs for IBEW members.

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Chapter 13: Broadband

The IBEW policies support efforts to ensure all Americans can access affordable, reliable, high-speed broadband, particularly those expanding access to rural, unserved, and underserved communities. In addition, high-speed broadband has become necessary for vital medical care and education services.

Recent Developments

Broadband Funding in the Bipartisan Infrastructure Law

The Bipartisan Infrastructure Law (BIL) includes a historic investment of \$65 billion in broadband infrastructure funding to ensure that all Americans have access to high-speed broadband internet. Funding will spread across several grant programs for states and communities.

The \$42.45 Billion BEAD Program

The most extensive broadband grant program created under BIL is the \$42.5 billion Broadband Equity, Access, and Deployment (BEAD) Program. BEAD supplies grants to states to accelerate broadband deployment.

The Department of Commerce, National Telecommunications and Information Administration (NTIA) will administer the program. Each state will receive a minimum of \$100 million, with 10 percent set aside for underserved high-cost areas. States must certify they met 100 percent of "unserved" regions before funding deployment begins in "underserved" areas.

Other BIL Broadband Programs

NTIA will also offer broadband infrastructure funding for the following:

- Digital equity grants: \$2.75 billion to establish two new grant programs to promote digital inclusion and equity in historically underserved communities
- Tribal broadband connectivity fund: \$2 billion
- Middle-mile broadband infrastructure: \$1 billion
- Rural communities: \$2 billion
- Appalachian Regional Commission's High-Speed Internet Initiative: \$100 million



Broadband in the American Rescue Plan Act of 2021

The Coronavirus State and Local Fiscal Recovery Funds program, a part of the American Rescue Plan Act of 2021 (ARPA), provided \$350 billion in emergency funding for water, sewer, and broadband infrastructure investments. In addition, the Biden administration included labor standards in the State and Local Fiscal Recovery Funds. Requirements include requiring companies receiving funds through this program to pay their workers at least prevailing wages or provide significant wage and hour information to the federal government.

ARPA also includes \$10 billion in Coronavirus Capital Projects Funds. The Department of Treasury will administer the funding. Treasury officials have stated that they prefer states to use these funds for broadband.

Broadband in the Consolidated Appropriations Act of 2021

The Consolidated Appropriations Act of 2021 created the Broadband Infrastructure Program, designed to support broadband infrastructure deployment in unserved areas, predominantly rural areas. Agencies have awarded grants to Georgia, Kentucky, Louisiana, Maine, Mississippi, Missouri, Nevada, North Carolina, Pennsylvania, Texas, Washington, West Virginia, and Guam from this program.

Pending Priorities

The IBEW supports policies that ensure federal taxpayer dollars encourage unions and collective bargaining.

Ensuring Unionized High-Road Employers Get the Funding

The IBEW's primary objective is to ensure high-road unionized employers are first in line to receive federal and state grants for building broadband service infrastructure. Meeting this objective requires federal and state agencies responsible for disbursing broadband funding to mandate that a contractor has a demonstrated record of compliance with labor and employment laws. Federal and state agencies can do this through pre-certification and required reporting of violations. Agencies can also attach standards to ensure workers are paid at least the prevailing wage and exclude low-road contractors and subcontractors from receiving government contracts.

The U.S. Department of Commerce released the BEAD Program notice of funding opportunity (NOFO). The language in the NOFO demonstrated that the Biden Administration had followed through with its promise to support the creation of middle-class, union jobs in the telecommunications sector. Within the guidelines, the BEAD NOFO requires that:

- States consult and coordinate with labor unions to develop their buildout plans. States must document and certify this engagement to be eligible for funding
- States prioritize employers and contractors with a demonstrated record of compliance with federal labor and employment laws

- States ensure the use of a highly skilled workforce to build the BEAD-financed broadband network. A requirement fulfilled through using graduates of registered apprenticeships or other joint labor-management training programs
- The BEAD Program strongly encourages and incentivizes paying workers prevailing wages and using a unionized workforce or project labor agreement
- Companies that don't certify that they are paying their workers prevailing wages are to report important information about the quality of the jobs they are creating
- Companies disclose their plans for the continuity of the workforce
- The BEAD Program provides authority and encourages the use of labor peace agreements

The IBEW supports incorporating labor standards and bid preferences for responsible contractors on broadband grant programs, encouraging highly skilled family-supporting job creation.

Chapter Resources

Hyperlink	URL	QR
Broadband Funding Resources:		
<u>BEAD Program Notice of</u> <u>Funding Opportunity</u> (<u>NOFO)</u>	https://broadbandusa.ntia.doc.gov/sites/defa ult/files/2022-05/BEAD%20NOFO.pdf	
<u>The BroadbandUSA Federal</u> <u>Funding Guide</u>	https://broadbandusa.ntia.doc.gov/sites/defa ult/files/2021- 07/FY21%20Federal%20Funding%20Guide %20Updated%2007-12-21-compressed.pdf	
<u>The BroadbandUSA</u> <u>Interactive State Broadband</u> <u>Programs Guide</u>	https://broadbandusa.ntia.doc.gov/resources/ states	

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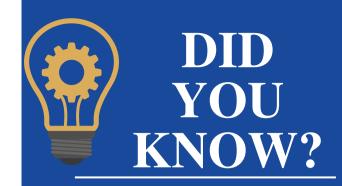
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Energy & Environment, Healthcare, Pensions & Telecommunications

Manufacturing, Trade & Immigration

Construction, Labor Standards & Apprenticeships



There are Five Priority Labor Standards

1. Protecting Federal Prevailing Wage Laws

- The prevailing wage rate is the average wage paid to similarly employed workers
- Prevailing wage laws create competition based on who can best train, best equip and best manage a construction crew not on the basis of who can assemble the cheapest, most exploitable workforce either locally or through the importation of labor

2. Registered Apprenticeship - The Gold Standard of Workforce Training

- To guard against the inherent dangers of working in the construction industry, workers must receive the highest quality training
- Registered apprenticeships are "earn as you learn" programs, where individuals can earn good wages while establishing the skills to obtain a high-quality career

3. ABC Test: Eliminate Worker Misclassification and Wage Theft

- Worker misclassification is when employers misclassify workers as "independent contractors," denying them fair compensation for their efforts
- The "ABC test" is the solution. The ABC Test requires that independent contractors must fit the following criteria:
 - (A) Free from the employer's control
 - (B) Has made independent investments in their established trade
 - \circ (C) Performs work outside of the scope of the employer's core business

4. Neutrality Agreements

• Neutrality agreements allow workers to make a choice whether or not to join a union without bitter employer driven campaigns to pressure workers against organizing

5. Local Hire

• By requiring employers to agree to hire local residents, local hire requirements ensure that members in the community benefit from job training opportunities, are built to the high standards that registered apprenticeships teach, and provide pathways to union careers that pay family sustaining wages and benefits





Chapter 14: Trade and Manufacturing

The IBEW supports strong labor rights and enforcement provisions in manufacturing and trade policies. The IBEW has had a significant footprint in the North American manufacturing sector. The highly diversified list of products manufactured by IBEW members includes batteries, semiconductors, transformers, control panels, electric motors and generators, wire and cable, electric switchboards, breakers, switchgear, and other advanced energy components like light fixtures, all household appliances, and medical and X-ray equipment.

Policies that offshore domestic manufacturing to foreign, lowcost markets harm members of the IBEW. The experience of IBEW and the labor movement, more broadly, is that trade policy over the past several decades has been one of the most significant factors for the sharp decline in domestic manufacturing. In addition, policies that encourage union busting or make it more difficult for workers to unionize have also deeply impacted the manufacturing sector. As a result, IBEW members working in the advanced manufacturing sector have dropped dramatically over the past 40 years from 400,000 to 30,000.

EV Manufacturing Policies

The automobile industry is vital to the United States national economy, employing hundreds of thousands of Americans in this critical sector of the nation's manufacturing base. However, the U.S. auto sector is falling behind its foreign competitors, particularly China, in manufacturing electric vehicles (EVs). Today, China sells half of the electric vehicles in the world. The International Energy Agency predicts China will control 75 percent of global battery capacity, which is critical to EV manufacturing. Foreign domination of the electric vehicle sector will negatively impact the U.S. auto sector without supportive policies and significant investment.¹⁰

¹⁰ The International Energy Agency, Global EV Outlook 2019, <u>https://www.iea.org/publications/reports/globalevoutlook2019/</u> CHAPTER 14

The IBEW supports federal policies that incentivize EV purchases with a significant percentage of U.S.-manufactured content, particularly EV batteries. In addition, the IBEW and other labor unions are currently attempting to organize EV battery plants in the United States. Unionization will ensure that these facilities provide family-supporting wages and benefits.

With the passage of the Inflation Reduction Act (IRA), the United States has taken a significant step forward to support domestic manufacturing and assembly of electric vehicles and batteries for EVs. The IRA made notable changes to the EV tax credit system. First, it changed the existing tax credit by dividing it into two parts and eliminating the auto manufacturer limit of 200,000 vehicles. Now, an electric vehicle will qualify for the following:

- A \$3,750 tax credit if the vehicle meets specific critical mineral requirements
- A second \$3,750 tax credit if the vehicle meets specific battery component requirements

The final assembly of the automobile must occur within North America to qualify for the tax credits. There are also price caps for vehicles to qualify for the credits – \$55,000 for sedans and \$80,000 for SUVs, vans, and trucks. There is also an income limit to qualify for the tax credit to address concerns that the credits just supported affluent drivers. Now, no credit is allowed if the purchasing household earns over \$150,000 for an individual or \$300,000 for a married couple.

See the chapter resources for additional EV tax credit information <u>released by the U.S.</u> <u>Department of the Treasury</u>.

You can also learn more about the new EV tax credits through the <u>Congressional Research</u> <u>Service's brief report</u>, also available in the resources section of this chapter.

The Inflation Reduction Act also created a new tax credit for used electric vehicles. Now, purchasers can receive a tax credit of up to \$4,000 or 30 percent of the sale of the car, whichever is more. The sales price must be at most \$25,000. There is an income threshold of \$75,000 for individuals and \$150,000 for married couples to qualify for the used EV tax credit.

There is also a new EV tax credit for commercial-use EVs. This tax credit has a maximum value of \$7,500 for vehicles with a gross vehicle weight rating (GVWR) of less than 14,000 lbs. and is capped at \$40,000 for vehicles with a GVWR of more than 14,000 lbs. Congress based the overall value of the commercial EV credit upon the difference in cost of the EV and a comparable internal combustion engine vehicle.

Energy Supply Chain Policy

The Bipartisan Infrastructure Law (BIL) invests significantly in clean energy supply chains. These investments will allow the United States to produce new energy technologies domestically. The BIL boosts our competitiveness within the global clean energy market, a market expected to reach \$23 trillion by the end of the decade. In addition, these investments will create jobs up and down the supply chain — especially manufacturing jobs and skills-matched opportunities for fossil fuel workers. The BIL has:

- Invested more than \$7 billion in the supply chain for batteries, essential to powering our economy with 24/7 clean, affordable, and resilient energy and transportation options. This investment will include resources needed to produce, source and even recycle critical minerals without new extraction/mining
- Provide an additional \$1.5 billion for clean hydrogen manufacturing and advancing recycling
- Create a new \$750 million grant program to support advanced energy technology manufacturing projects in coal communities
- Authorize the federal government to invest in projects that increase the domestic supply of critical minerals
- Authorized the federal government to expand programs with manufacturing zero-carbon technologies for medium- and heavy-duty vehicles, trains, aircraft, and marine transportation

Buy America / Buy American

Under several laws, including the Buy American Act, the federal government must buy American-made iron, steel, and manufactured goods wherever possible. The federal government's purchasing power is enormous. The U.S. government spends more than \$600 billion yearly on goods and services. This power makes Buy America/n laws a significant policy to promote domestic manufacturing. For decades, the domestic threshold for an American-made product was 55 percent. In addition, the administration grants waivers of domestic content requirements for products that are not easily accessible or manufactured in the United States.

In July 2021, the Biden Administration proposed a modernization of made-in-America laws, including the creation of a new office to scrutinize and reduce the authorization of waivers. Congress' intent with this new policy is to maximize taxpayer dollars on domestic products and services. Through this policy, the administration has strengthened our industrial base and created good-paying, union jobs for Americans.

President Biden finalized his administration's made-in-America proposal in March of 2022. The administration announced that the domestic content threshold for the Buy American Act will be raised gradually to 75 percent by 2029. Increasing the domestic content threshold will close loopholes in the current regulations and create more opportunities for small- and medium-sized manufacturers and their employees from all parts of the country. Along with implementing enhanced price preferences to select critical products and components, the administration's reforms to made-in-America laws will help create demand for domestically manufactured products. You can read more about these new rules from <u>the statement released by the White House.</u>

Industrial Policy - The CHIPS & Science Act

The CHIPS and Science Act authorizes \$102 billion over five years to the National Science Foundation (NSF), the Department of Commerce, and the National Institute of Standards and Technology (NIST) and a further \$68 billion in grants to the Department of Energy for research and programs related to energy security, nuclear technologies and commercialization.

What's Next

Ensure Federal Investments in Manufacturing Include Labor Standards

Through enactment of recent major legislation, including the Inflation Reduction Act, Bipartisan Infrastructure Law, and CHIPS and Science Act, the Biden administration will be investing tensof-billions-of-dollars to jump start a revitalization of domestic manufacturing. Ensuring that these federal dollars are tied to strong labor standards that can create generational, familysustaining jobs must be a priority. Companies that receive grants, loans, tax credits, and other financial incentives provided to companies in battery, EV, semiconductor, and other types of manufacturing industries must be required to make commitments that put workers at the table and keep them there. This includes commitments such as long-term worker training and equity, job quality and worker protection plans, meaningful collaboration with unions, and the use of union and domestic labor and content up and down the manufacturing supply chain.

Please get in touch with the Government Affairs Department representative covering this policy area for updates.

Hyperlink	URL	QR	
Manufacturing Resources:			
EV tax credit information released by the U.S. Department of the Treasury	https://home.treasury.gov/system/files/136/ EV-Tax-Credit-FAQs.pdf		
<u>Congressional Research</u> <u>Service's brief report EV Tax</u> <u>Credits.</u>	https://crsreports.congress.gov/product/pdf/I N/IN11996		
Biden-Harris Administration Delivers on Made in America Commitments	https://www.whitehouse.gov/briefing_ room/statements-releases/2022/03/04/fact- sheet-biden-harris-administration-delivers- on-made-in-america-commitments/		
Government Affairs Department Points of Contact			

Chapter Resources

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Manufacturing, Trade & Immigration

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Chapter 15: Protecting Government Employees

Nearly every agency within the U.S. and Canadian governments relies on IBEW members to carry out their missions. Government sector members of the IBEW work across federal agencies, from the National Park Service and Department of Veterans Affairs to every military branch.

In addition to performing critical maintenance work on federal buildings and equipment, IBEW members work onboard ships, all types of government-owned transmission lines, navigational locks and dams, and in hydro- and steamdriven electric power generating plants, among others.

Recent Developments

President Biden's Actions to Help Public Employees

On January 22, 2021, President Biden signed an Executive Order that took several steps to protect the federal workforce. The executive order overturned a series of executive orders that sought to make it easier to:

- Fire federal workers
- Disrupt labor-management negotiations
- Restrict the scope of collective bargaining
- Attempt to eliminate collective bargaining, due process, and workplace representation rights for federal employees
- Provisions allowing federal employees to be hired and fired merely for political reasons
- Provisions banning the use of federal funds for diversity and inclusion training programs for federal employees and employees of federal contractors
- Restrictions on the use of official union time and access for union organizers in federal workplaces

In overturning these harmful policies, the Biden administration released a statement declaring that the federal government's policy is to:

- Protect, empower and rebuild the career federal workforce
- Encourage union organizing and collective bargaining
- Serve as a model employer

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Pending Priorities

Confirming FLRA Nominees

Confirmation of President Biden's Federal Labor Relations Authority (FLRA) Nominees

The FLRA facilitates the right of federal workers to form and join unions, bargain with agencies and resolve unfair labor practice complaints. A fully functioning FLRA is necessary for the effective and efficient administration of federal labor-management relations and ensures that workers' rights of federal employees are protected.

During the 2016-2020 administration, cabinet officials ignored the functions of the FLRA and decades of precedent. As a result, federal workers endured the imposition of unilateral contracts, unwarranted restrictions on union dues and official time, and rollbacks to their collective bargaining rights. In addition, the general counsel vacancy at the agency resulted in hundreds of unfair labor practice complaints languishing without adjudication. These actions hampered the ability of many federal workers to perform their duties in service to the public.

President Biden nominated Ernest Dubester and Susan Grundman as members of the FLRA and Kurt Rumsfeld as general counsel. The IBEW supports these nominations, which would bring a welcome return to the ability of the FLRA to provide stability and fairness in federal labor relations.

In May 2022, the senate voted 50-49 to confirm former MSPB Chairwoman Susan Tsui Grundmann as a Federal Labor Relations Authority member. Most recently, she worked as the executive director and chief operating officer of the Office of Congressional Workplace Rights, which oversees employee protections and labor relations in the legislative branch. In addition, Susan Grundman brings an extensive background in representing federal worker unions, serving as a member and Chair of the Merit Systems Protection Board. This vote finally switched control of the agency that governs collective bargaining at federal agencies.

Unfortunately, the IBEW is still awaiting several confirmations, including for Ernest Dubester. Nominated by four Presidents, Ernest Dubester (currently serving as Chair of the FLRA) has been confirmed by unanimous consent each time. He has served as an FLRA member since 2009 and served twice as Chair.

Kurt Rumsfeld currently serves as Chief Counsel to Chair DuBester and previously served as the Assistant General Counsel for Operations and Legal Policy for the FLRA's Office of the General Counsel. His responsibilities included providing legal administration of the FLRA's governing statute.

Each of these nominees is an asset to the mission of the FLRA. Congress cannot match President Biden's nominees' combination of experience and commitment to the federal workforce and public service. Therefore, the IBEW supports the confirmation of these three nominees, who will help to restore the FLRA to its original mission of promoting labor relations between federal workers and federal agencies.

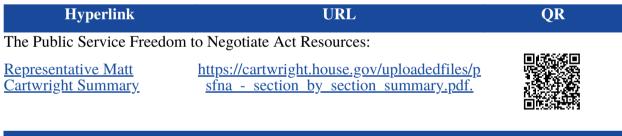
The Public Service Freedom to Negotiate Act

The IBEW and AFL-CIO support enacting the Public Service Freedom to Negotiate Act. This legislation would give public sector employees the right to collectively join a union and bargain. This legislation became necessary after the U.S. Supreme Court ruled in 2008 on the case: Janus v. AFSCME. This ruling stripped public employee unions of their ability to collect fees for representation they are legally required to provide workers. In addition, the Public Service Freedom to Negotiate act would help level the playing field for essential workers. It gives this equity by establishing a minimum standard of collective bargaining rights that states and localities must provide.

The Public Service Freedom to Negotiate act would empower the FLRA to protect all government employees' rights in states that fail to offer fundamental collective bargaining rights. This protection includes state, territorial and local government employees. The Public Service Freedom to Negotiate act allows public sector employees to:

- Form, join or assist unions to bargain collectively and to join together to engage in other activities to improve their working conditions
- Have their union recognized by their public employer through democratic procedures
- Have a procedure for resolving impasses in collective bargaining
- Authorize the deduction of fees to support the union to the extent permitted by law

Chapter Resources



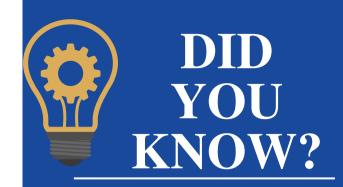
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Government Employees, Maritime, Shipbuilding & Transportation

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There is a Proposed EVITP Requirement for NEVI Formula Program Grants

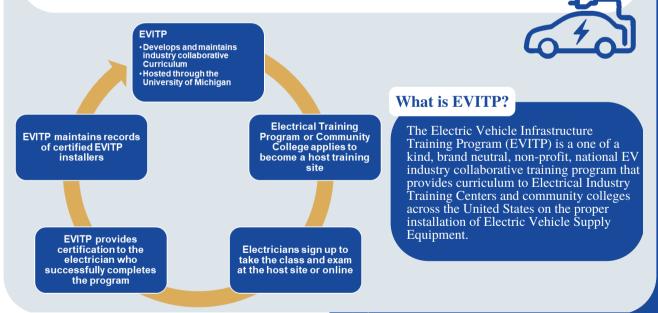
What is the National Electric Vehicle Infrastructure Formula Progam?

The NEVI Formula Program will provide funding to states to strategically deploy electric vehicle (EV) charging stations and establish an interconnected, reliable, and accessible network.

Funding is available for up to 80 percent of eligible project costs, including:

- The acquisition, installation, and network connection of EV charging stations to facilitate data collection, access, and reliability
- Proper operation and maintenance of EV charging stations
- Long-term EV charging station data sharing

EV charging stations must be non-proprietary, allow for open-access payment methods, be publicly available or available to authorized commercial motor vehicle operators from more than one company, and be located along designated FHWA Alternative Fuel Corridors (AFCs). If a state and DOT determine that all AFCs in the state have been fully developed, then the state can propose alternative public locations and roads for EV charging station installation.



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GOVERNMENT AFFAIRS



Chapter 16: Transportation

The IBEW sees the electrification of the transportation sector as a significant growth area for current and future members. As such, the IBEW supports policies that will ensure it will continue to provide union jobs with family-supporting wages and benefits.

The transportation sector accounted for the most significant portion (29 percent) of total greenhouse gas emissions in the United States in 2017. Nearly 60 percent of all transportation sector emissions come from light-duty vehicles. The U.S. will only meet its emissions reduction targets by electrifying the transportation sector. The IBEW sees transportation electrification as a vital opportunity that provides for modernizing the nation's infrastructure, reinvigorating the U.S. manufacturing sector, and providing well-paying union jobs.

Recent Developments

Transportation Funding

The Bipartisan Infrastructure Law (BIL) contains \$643 billion in transportation infrastructure funding, including:

- \$8 billion for the Infrastructure for Rebuilding America (INFRA) Program, which supports freight and highway projects of regional and national significance
- \$7.5 billion for RAISE Grants or the Rebuild American Infrastructure Sustainability and Equity (RAISE) grant program
 - This competitive grant program provides funding for road, rail, transit, and other surface transportation projects with significant local or regional impact. Selection criteria include safety, sustainability, equity, economic competitiveness, mobility, and community connectivity
 - The U.S. Department of Transportation recently announced that \$1.5 billion in RAISE discretionary grants are available," representing a 50-percent increase in funds over the prior year

¹¹ RAISE Grant Notice of Funding Opportunity (Feb. 4, 2022), <u>https://www.transportation.gov/sites/dot.gov/files/2022-02/FINAL-2022-</u> <u>RAISE-NOFO.pdf.</u>

- At least \$15 million in RAISE funding is guaranteed to go toward projects in areas of persistent poverty or historically disadvantaged communities. DOT has launched a tool (see chapter resources) that shows whether a project location is considered a historically disadvantaged community.
- \$5 Billion in funding for Megaprojects is available under the National Infrastructure Project Assistance program. This program provides grants on a competitive basis to support multijurisdictional or regional projects of significance that may also cut across multiple modes of transportation. As a result, communities can apply for funding to complete large critical projects that would otherwise be unachievable.
- Port investments
 - The BIL includes several investments to decrease emissions and upgrade and modernize America's ports, including:
 - \$2.25 billion for the Port Infrastructure Development Program
 - \$150 million aimed at reducing truck idling at port facilities
 - \$25 million for America's Marine Highway Program
 - \$2.25 million for modernization at land ports
- Congress included the National Electric Vehicle Infrastructure (NEVI) Formula Program in the BIL. It is a \$7.5 billion investment to help make EV chargers accessible to all Americans. The NEVI Formula Program will provide dedicated funding to states to build infrastructure under Davis-Bacon prevailing wage standards.
 - The Government Affairs Department advocated through formal written comments to include the Electric Vehicle Infrastructure Training Program (EVITP) in the guidance. EVITP will ensure that the contractors must train the workforce in high-quality programs.
- Also included are Rail Improvement Investments, which authorized \$78 billion in spending over the next five years. The uses for this funding include projects that improve rail infrastructure projects. It consists of \$36 billion on rail alone, \$28 billion on multimodal and freight and \$13 billion on safety initiatives. The reauthorization included several historical rail programs, such as:
 - Amtrak intercity passenger and NEC programs
 - Consolidated Rail Infrastructure and Safety Improvement Grants
 - Federal-state partnership for intercity passenger rail grants

EV Infrastructure Policies

The electrification of the nation's vehicle fleet will require significant investment in new charging infrastructure and substantial upgrades to the electrical generation and transmission systems. The Edison Electric Institute (EEI) estimates that 9.6 million charging ports will need to be installed by 2030 to meet the growing demand for electric vehicles. This investment will include thousands of non-residential charging ports in office buildings, parking lots, on-street parking, and interstate service stops.

The IBEW supports policies that ensure that the members of the IBEW install electric vehicle supply equipment (EVSE). The IBEW advocated for including requirements that appropriately qualified and trained electricians to perform EVSE installations. Such policies include provisions for electricians performing EVSE installations to be certified by an Electric Vehicle Infrastructure Training Program (EVITP) certification or another EVSE-specific training course offered through an electrical Registered Apprenticeship Program. Such policies are already in place in California and Nevada. These requirements ensure that contractors building EV charging infrastructure has a competent workforce, providing for an efficient and cost-effective project.

The IBEW further supports policies allowing electric utility companies to build charging stations in their service areas, including rural and historically disadvantaged communities. EVITP certification requirements can ensure that the EV charging infrastructure federal investment provides is built out quickly, efficiently, and cost-effectively.

In addition, the IBEW supports investments in significant upgrades to the electric grid and other electrical generation improvements. Grid investment will also be necessary to keep the millions of charging stations installed in the coming years. In addition, the United States will need to invest \$30-90 billion in electric transmission above current investments and generate 70-200 gigawatts in additional power generation to meet electrical demand by 2030.¹²

The IBEW supports federal policies that will facilitate the construction of new transmission lines. Our advocacy efforts include "right-sizing" by incentivizing the development of transmission capacity over current market demands. The IBEW also recognizes the need for permitting reform to make it easier to build transmission lines. Without adequate transmission infrastructure, the U.S. will continue to fall behind in delivering renewable energy from solar and wind-heavy regions to population centers. The IBEW supports an all-of-the-above energy strategy to ensure sufficient baseload generation and grid reliability.

Railroad Policies

The IBEW supports infrastructure investments that include funding for high-speed rail and the electrification of our nation's passenger railroad network. IBEW policies support the creation of both existing Amtrak routes and new networks. The electrification of our railroad network would modernize the current system and reduce greenhouse gas emissions. In addition, the IBEW supports investment in public transportation systems, including subways, light rail and commuter rail. World-class public transportation systems would help reduce the number of cars on the road, lowering emissions while improving local economies and creating family-supporting jobs.

Congress must ensure rail investments protect, preserve, and grow good paying-union jobs. Diversity of transportation can handle the hard questions we face, including the limited access to opportunity and vital services for many in rural America.

¹² Dr. Jurgen Weiss, et. al, The Coming Electrification of the North American Economy, (2019) at 16-17, <u>https://wiresgroup.com/wp-content/uploads/2020/05/2019-03-06-Brattle-Group-The-Coming-Electrification-of-the-NA-Economy.pdf.</u>

U.S. history is punctuated with federal investment to achieve significant advancements in our infrastructure. For example, constructing a rail system that would span the United States required federal support through the Pacific Railway Act of 1862. However, the economic potential realized through high-speed rail investments largely depends on the labor standards placed on the money used.

The IBEW is opposed to efforts in the railroad industry that places profits above the safety of IBEW railroad members. The IBEW advocates for the ability of employers to pursue precision, profitability and efficiency in operations. However, Class I freight rail carriers have proven that Precision Scheduled Railroading (PSR) is not a lean or streamlined business model. Instead, PSR is a dangerous cost-cutting scheme to lower operating ratios and appease investors through devastating cuts to the workforce and a degradation in the safety culture throughout the industry.

Sick Days for Railroad Workers

The IBEW supports administrative and Congressional action to provide railroaders with paid sick leave, which U.S. railroad workers are currently not provided. On its own, the lack of this benefit is appalling. This issue has been exacerbated by the industry's implementation of PSR. Before the operating model, railroaders could "call in" without pay in times of severe need. Now, railroaders are disciplined when taking this action. As a result, railroaders are left without any time off to tend to their families and needs.

However, the 117th Congress introduced H. Con. Res. 119, which sought to provide railroad workers with seven (7) days of paid sick leave. Unfortunately, the bill did not pass. Despite the inability of IBEW railroad members to fail to achieve sick time, the IBEW is continuing to work on this issue. The department is seeking a way to continue this effort through an executive order.

Shipbuilding Policies

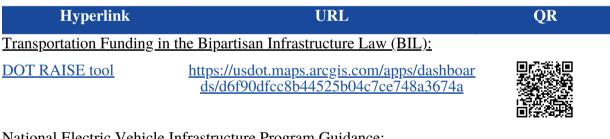
The Jones Act states that ships sailing between two domestic ports of call within the United States, Puerto Rico and Hawaii, must be U.S. flagged, U.S. built, and U.S. crewed. The IBEW is opposed to any efforts to repeal this critical law. The Jones Act ensures a vibrant domestic maritime industry, rebuilding the American fleet and protecting national security. Any attempts to subvert this 100-year-old law undermine the hard-fought working conditions, pay and benefits in the U.S. maritime sector in favor of exploitative foreign competitors.

Pending Priorities

- Applying the Electric Vehicle Charging Infrastructure Training Program (EVITP) credential to any program that incentivizes the build-out of electric vehicle supply equipment
- Ensuring that contractors must compete for work based on who can best train, equip, and manage a construction crew by applying Davis-Bacon prevailing wages on projects
- Honoring the safety standards, training programs, compensation, and benefits that workers are entitled to through the use of registered apprenticeship programs

- Including those who have historically faced barriers to employment as prospective job candidates by promoting innovative workforce policies such as Community Benefits Agreements
- Opposing efforts for railway labor law carve-outs
 - Ensuring that a qualified mechanical inspector performs periodic inspections are performed as necessary, and only by a qualified mechanical inspector, for the safe operations of locomotives
- Passage of the Railroad Employee Equality and Fairness (REEF) Act that would end sequestration on railroad unemployment and sickness benefits
- Enforcing Buy America conditions on materials
- In the absence of an all encompassing, federal dollar blanket labor standard;
 - All existing programs DERA, FHWA Congestion Mitigation and Air Quality Improvement Grants and any Rail or FTA infrastructure Grants provided federal dollars must have highroad labor standards. (Davis-Bacon coverage is not adequate to constitute *highroad* labor standards in the rail industry)
- The IBEW has advocated for various highroad labor standards in the rail industry, including:
 - Davis-Bacon prevailing wages and benefits
 - PLA's for the construction and maintenance
 - No mandatory arbitration
 - Strong worker classification standards to avoid misclassification
 - Ban the use of temporary staffing agencies
 - Explicit neutrality policy on all collective bargaining
 - 13c protections for transit workers
 - RLA protections for workers under the RLA
 - Ensure that federal investment will not displace workers already employed in this sector

Chapter Resources



National Electric Vehicle Infrastructure Program Guidance:

Guidance Memo NEVI	https://www.fhw
	native fuel corri
	formula r

a.dot.gov/environment/alter ridors/nominations/90d nevi formula program guidance.pdf



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